

**HUNTERS RIDGE COMMUNITY
ASSOCIATION, INC.**

AGREED-UPON PROCEDURES REPORT



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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

Hunters Ridge Community Association, Inc.
Bonita Springs, Florida

We have performed the procedures enumerated below, which were agreed to by Hunters Ridge Community Association, Inc. solely to assist you with analyzing the Clubhouse, Kitchen, and Dining Room renovation project, the Locker-Room renovation project, and the Pro-Shop renovation project performed at Hunters Ridge Community Association, Inc. Management is responsible for the Association's accounting records. This agreed-upon procedure engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the Association. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Our procedures and findings are as follows:

1. We will:

- a) Review all contracts for the Clubhouse, Kitchen, and Dining Room renovation project, the Locker-Room renovation project, and the Pro-Shop renovation project including change orders, and other related Hunters Ridge Community Association, Inc. purchases.
- b) Review management's budgets for the Clubhouse, Kitchen, and Dining Room renovation project, the Locker-Room renovation project, and the Pro-Shop renovation project and compare budgeted amounts to amounts actually spent on the each renovation project.
- c) Examine all bills (invoices) related to all contracts/bids for the Clubhouse, Kitchen, and Dining Room renovation project, the Locker-Room renovation project, and the Pro-Shop renovation project and agree billing amounts to the contracts including change orders, and other purchases, etc. for each renovation project.

Affiliations

Florida Institute of Certified Public Accountants

American Institute of Certified Public Accountants - Management Consulting Services Division/Private Companies Practice Section/Tax Division

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***By Appointment Only**

- d) Trace and agree amounts paid on the contracts for the Clubhouse, Kitchen, and Dining Room renovation project, the Locker-Room renovation project, and the Pro-Shop renovation project into the general ledger of Hunters Ridge Community Association, Inc. and the underlying accounting records. This will also include an evaluation of each of the project's receipt/payment process and a review of Bank United's renovation account as well as the Golf Reserve account and Fifth Third Operating account.
- e) Provide a written report to the Board of Directors summarizing the results.
- f) Meet with the Board of Directors to discuss the results.

FINDINGS:

- a) **Clubhouse, Kitchen and Dining Room** – We reviewed the contract by D. Garrett Construction, Inc. for the Clubhouse, Kitchen and Dining Room renovation project showing that the original guaranteed maximum price for this renovation was \$1,454,303. In addition to this contract, it was understood that Hunters Ridge Community Association, Inc. would also contract other companies for architectural fees, engineering fees, design fees, and furnishings and equipment approximately totaling \$374,810. It was noted that there were change orders totaling \$37,036 to the original D. Garrett Construction, Inc. contract putting the final revised guaranteed maximum price of the contract at \$1,491,339 for the Clubhouse, Kitchen, and Dining Room renovation project.

Locker-Room – We reviewed the contract by D. Garrett Construction, Inc. for the Locker-Room renovation project showing that the original guaranteed maximum price for the renovation was \$232,026. In addition to this contract, it was understood that Hunters Ridge Community Association, Inc. would also contract other companies for architectural fees, engineering fees, and design fees totaling \$30,840. It was noted that there were change orders totaling \$6,334 to the original D. Garrett Construction, Inc. contract putting the final revised guaranteed maximum price of the contract at \$238,360 for the Locker-Room renovation project.

Pro-Shop – During the renovations to the Clubhouse, Kitchen, Dining Room, and Locker-Room, it was decided to also move forward and renovate the Pro-Shop. We reviewed the contract by D. Garrett Construction, Inc. change order for the Pro-Shop renovation project was \$28,269, putting the final revised guaranteed maximum price of the contract at \$28,269 for the Pro-Shop renovation project.

- b) **Clubhouse, Kitchen and Dining Room** – It was noted, in order to finance the renovations to the Clubhouse, Kitchen and Dining Room, a special assessment of \$1,850,000 would be required. As denoted in the By-Laws of Hunters Ridge Community Association, Inc., all special assessments to be levied over \$1,000,000 require an affirmative vote by a majority of the membership for approval. The vote occurred on December 10, 2014 and was passed by a majority

of the membership.

The Board of Directors in reviewing and accepting the D. Garrett Construction, Inc. original contract of \$1,454,303, budgeted total cost of the Clubhouse, Kitchen, and Dining Room renovation, including other contracts, to amount to approximately \$1,850,000 (the amount of the special assessment). We noted that that actual costs for this project, as outlined in Exhibit A, was \$1,845,883 including all change orders and cost reductions. Therefore, actual project costs were under what the Board of Directors budgeted by \$4,117.

Locker-Room – The Board of Directors in reviewing and accepting the D. Garrett Construction, Inc. original contract of \$232,026, budgeted total cost of the Locker-Room renovation, including other contracts, to amount to approximately \$269,500. We noted that that actual costs for this project, as outlined in Exhibit B, was \$268,597 including all change orders and cost reductions. Therefore, actual project costs were under what the Board of Directors budgeted by \$903.

Pro-Shop – While the Board of Directors did not formally approve a budget for the Pro-Shop renovation project, the Board of Directors in reviewing and accepting the D. Garrett Construction, Inc. original change order of \$28,269, projected total cost of the Pro-Shop renovation to amount to approximately \$28,269. We noted that that actual costs for this project, as outlined in Exhibit C, was \$28,269. Therefore, actual project costs exactly what the Board of Directors projected for this renovation.

- c) **Clubhouse, Kitchen and Dining Room** – We examined all of the bills and invoices from all of the vendors and contractors, detailed in Exhibit A, that performed work on the renovation project and noted that the billing amounts agreed to the base contract, other contracts, and quotes for the renovation project. No exceptions were noted.

Locker-Room – We examined all of the bills and invoices from all of the vendors and contractors, detailed in Exhibit B that performed work on the renovation project and noted that the billing amounts agreed to the base contract, other contracts, and quotes for the renovation project. No exceptions were noted

Pro-Shop – We examined all of the bills and invoices from all of the vendors and contractors, detailed in Exhibit C that performed work on the renovation project and noted that the billing amounts agreed to the base contract, other contracts, and quotes for the renovation project. No exceptions were noted

- d) **Clubhouse, Kitchen and Dining Room** – We traced all invoices and agreed amounts paid, as denoted in Exhibit A, into the general ledger of Hunters Ridge Community Association, Inc. for both 2015 and 2016. No exceptions were noted. We noted that all payments for this project came out of the Bank United renovation account. We traced each cash receipt and cash disbursement to and from the Bank United renovation account. No exceptions were noted. We also noted that there were no breaks in the check sequence. The sequence started at check #1001 and continued through check #1074. There were 2 voided checks (#1034 and #1057) that were properly accounted for.

Locker-Room – We traced all invoices and agreed amounts paid, as denoted in Exhibit B, into the general ledger of Hunters Ridge Community Association, Inc. for both 2015 and 2016. No exceptions were noted. We noted that all payments for this project were to come out of the Golf Reserve account; however, since the ability to write checks from this account was limited, funds were transferred from the Golf Reserve account into the Fifth Third Operating account and checks were distributed from this account. We traced the transfers from the Golf Reserve account to and Fifth Third Operating account and each cash disbursement from the Fifth Third Operating account. No exceptions were noted.

Pro-Shop – We traced all invoices and agreed amounts paid, as denoted in Exhibit C, into the general ledger of Hunters Ridge Community Association, Inc. for 2016. No exceptions were noted. We noted that all payments for this project were to come out of the Golf Reserve account; however, since the ability to write checks from this account was limited, funds were transferred from the Golf Reserve account into the Fifth Third Operating account and checks were distributed from this account. We traced the transfers from the Golf Reserve account to and Fifth Third Operating account and each cash disbursement from the Fifth Third Operating account. No exceptions were noted.

For this engagement, we did not conduct an audit, the objective of which would be the expression of an opinion on the accounting records. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of Hunters Ridge Community Association, Inc. and is not intended to be and should not be used by any other parties.

A handwritten signature in black ink that reads "SR & Company, LLC". The "SR" is written in a stylized, bold font, followed by an ampersand and the words "Company, LLC" in a cursive script.

STROEMER & COMPANY, LLC
Fort Myers, Florida
July 1, 2016

Hunters Ridge Community Association, Inc.
Clubhouse, Kitchen and Dining Room renovation project - Actual costs (2015 and 2016)
Exhibit A

<u>Vendor</u>	<u>Services Performed/Products</u>	<u>Check Date</u>	<u>Check Amount</u>	<u>Check Number</u>	
Gora/McGahey Architects	Architectural Services	3/10/2015	\$ 10,815	1001	
Gora/McGahey Architects	Architectural Services	3/10/2015	\$ 6,460	1002	
Gora/McGahey Architects	Architectural Services	3/19/2015	\$ 4,875	1003	
Midwest Reproduction	Reproduction Services	4/2/2015	\$ 283	1004	
City of Bonita Springs	Permits	4/9/2015	\$ 1,000	1005	
Gora/McGahey Architects	Architectural Services	4/9/2015	\$ 24,365	1006	A
City of Bonita Springs	Permits	4/17/2015	\$ 1,100	1007	
Gora/McGahey Architects	Architectural Services	4/20/2015	\$ 6,298	1008	
Velocity Engineering	Engineering Services	4/24/2015	\$ 1,734	1009	B
Midwest Reproduction	Reproduction Services	4/30/2015	\$ 279	1010	
Hole Montes	Engineering Services	4/30/2015	\$ 2,163	1011	
City of Bonita Springs	Permits	5/8/2015	\$ 116	1012	
Gora/McGahey Architects	Architectural Services	5/11/2015	\$ 7,312	1013	
Gora/McGahey Architects	Architectural Services	5/22/2015	\$ 9,172	1014	
City of Bonita Springs	Permits	5/27/2015	\$ 110	1016	
City of Bonita Springs	Permits	5/27/2015	\$ 200	1017	
Midwest Reproduction	Reproduction Services	5/31/2015	\$ 75	1018	
Hole Montes	Engineering Services	5/31/2015	\$ 8,657	1019	
Gora/McGahey Architects	Architectural Services	6/16/2015	\$ 2,148	1020	
City of Bonita Springs	Permits	6/16/2015	\$ 5,835	1021	C
D. Garrett Construction	General Construction and Management	7/10/2015	\$ 77,515	1022	
Beltram	Design and Restaurant Equipment	7/21/2015	\$ 25,000	1023	
Beltram	Design and Restaurant Equipment	7/21/2015	\$ 689	1024	
Gora/McGahey Architects	Architectural Services	7/28/2015	\$ 2,182	1025	
D. Garrett Construction	General Construction and Management	7/28/2015	\$ 59,040	1026	
Midwest Reproduction	Reproduction Services	7/31/2015	\$ 89	1027	
N/A	Miscellaneous Expenses - Checks, Wires, Etc.	7/31/2015	\$ 238	N/A - Direct Debit	

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Clubhouse, Kitchen and Dining Room renovation project - Actual costs (2015 and 2016)
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Gora/McGahey Architects	Architectural Services	8/18/2015	\$ 4,937	1028	
Gora/McGahey Architects	Architectural Services	8/24/2015	\$ 878	1029	
Midwest Reproduction	Reproduction Services	8/31/2015	\$ 24	1030	D
Denise Ward Design	Interior Design Services	8/31/2015	\$ 1,950	1031	E
D. Garrett Construction	General Construction and Management	8/31/2015	\$ 90,450	1032	
Hole Montes	Engineering Services	9/9/2015	\$ 2,708	1033	
N/A	Voided Check	N/A	\$ -	1034	
Gora/McGahey Architects	Architectural Services	9/24/2015	\$ 8,551	1035	
City of Bonita Springs	Permits	9/28/2015	\$ 700	1036	
Hills Lighting and Bar Stools	Equipment - Chairs	9/30/2015	\$ 35,724	1037	
D. Garrett Construction	General Construction and Management	9/30/2015	\$ 241,495	1038	
Midwest Reproduction	Reproduction Services	10/5/2015	\$ -	1039	F
Franco Pavers	Pavers	10/14/2015	\$ 15,000	1040	
Gora/McGahey Architects	Architectural Services	10/21/2015	\$ 2,950	1041	
Hole Montes	Engineering Services	10/22/2015	\$ 1,347	1042	G
City of Bonita Springs	Permits	10/22/2015	\$ 200	1043	
Midwest Reproduction	Reproduction Services	11/7/2015	\$ -	1044	H
Home Depot	Equipment - Various	11/7/2015	\$ 339	1045	
D. Garrett Construction	General Construction and Management	11/7/2015	\$ 170,350	1046	
Total Comfort	Equipment - Various	11/17/2015	\$ 4,970	1047	
Gora/McGahey Architects	Architectural Services	11/18/2015	\$ 2,398	1048	
G.D. Foreman	Permits/Inspections	11/18/2015	\$ 1,890	1049	
Beltram	Design and Restaurant Equipment	11/30/2015	\$ 6,784	1050	
D. Garrett Construction	General Construction and Management	12/8/2015	\$ 312,975	1051	
Interlink Computers	POS Stations, Servers, and Wiring	12/9/2015	\$ 5,395	1052	
Sams Club	Equipment - Tables	12/9/2015	\$ 4,442	1053	
Gora/McGahey Architects	Architectural Services	12/16/2015	\$ 1,225	1054	

Hunters Ridge Community Association, Inc.
Clubhouse, Kitchen and Dining Room renovation project - Actual costs (2015 and 2016)
Exhibit A

<u>Vendor</u>	<u>Services Performed/Products</u>	<u>Check Date</u>	<u>Check Amount</u>	<u>Check Number</u>	
Total Comfort	Equipment - Various	12/22/2015	\$ 1,750	1055	
Cgrown	Decorations - Various	12/23/2015	\$ 4,506	1056	
N/A	Voided Check	N/A	\$ -	1057	
Hills Lighting and Bar Stools	Equipment - Chairs	12/31/2015	\$ 35,724	1058	
Franco Pavers	Pavers	12/31/2015	\$ 15,800	1059	
Midwest Reproduction	Reproduction Services	12/31/2015	\$ -	1060	I
Beltram	Design and Restaurant Equipment	12/31/2015	\$ 40,849	1061	
D. Garrett Construction	General Construction and Management	12/31/2015	\$ 435,078	1062	
2015 Actual Project Costs			\$ 1,709,139		
Technology Associates	Computers	1/20/2016	\$ 3,127	1063	
Gora/McGahey Architects	Architectural Services	1/22/2016	\$ 989	1064	
Interlink Computers	POS Stations, Servers, and Wiring	1/26/2016	\$ 5,395	1065	
Fire Fighters	Permits/Inspections	1/26/2016	\$ 3,955	1066	
Sams Club	Equipment - Tables	2/11/2016	\$ 2,124	1067	
Muzak, LLC	Sound System	2/23/2016	\$ 6,468	1068	
Bonita Bell	Wiring	2/23/2016	\$ 8,689	1069	
Denise Ward Designs	Interior Design Services	2/26/2016	\$ -	1070	J
Beltram	Design and Restaurant Equipment	3/4/2016	\$ 9,307	1071	
Denise Ward Designs	Artwork	3/14/2016	\$ 14,300	1072	K
Sams Club	Equipment - Portable Walls	3/15/2016	\$ 2,646	1073	
D. Garrett Construction	General Construction and Management	3/24/2016	\$ 79,610	1074	
N/A	Miscellaneous Expenses - Services Fees, Etc.	3/31/2016	\$ 134	N/A - Direct Debit	
2016 Actual Project Costs			\$ 136,744		
Total Actual Project Costs			\$ 1,845,883		

Hunters Ridge Community Association, Inc.

Clubhouse, Kitchen and Dining Room renovation project - Actual costs (2015 and 2016)

Exhibit A

- A - Actual amount of check was \$34,687; however, \$10,322 was allocated to the Locker-Room expenses. See Exhibit B.
- B - Actual amount of check was \$2,040; however, \$306 was allocated to the Locker-Room expenses. See Exhibit B.
- C - Actual amount of check was \$7,469; however, \$1,634 was allocated to the Locker-Room expenses. See Exhibit B.
- D - Actual amount of check was \$40; however, \$16 was allocated to the Locker-Room expenses. See Exhibit B.
- E - Actual amount of check was \$5,250; however, \$3,300 was allocated to the Locker-Room expenses. See Exhibit B.
- F - Actual amount of check was \$84; however, \$84 was allocated to the Locker-Room expenses. See Exhibit B.
- G - Actual amount of check was \$3,973; however, \$2,626 was allocated to the Locker-Room expenses. See Exhibit B.
- H - Actual amount of check was \$10; however, \$10 was allocated to the Locker-Room expenses. See Exhibit B.
- I - Actual amount of check was \$22; however, \$22 was allocated to the Locker-Room expenses. See Exhibit B.
- J - Actual amount of check was \$4,500; however, \$4,500 was allocated to the Locker-Room expenses. See Exhibit B.
- K - Actual amount of check was \$21,717; however, \$7,417 was allocated to the Locker-Room expenses. See Exhibit B.

Hunters Ridge Community Association, Inc.
Locker-Room renovation project - Actual costs (2015 and 2016)
Exhibit B

<u>Vendor</u>	<u>Services Performed/Products</u>	<u>Check Date</u>	<u>Check Amount</u>
Gora/McGahey Architects	Architectural Services	4/9/2015	\$ 10,322
Velocity Engineering	Engineering Services	4/24/2015	\$ 306
City of Bonita Springs	Permits	6/16/2015	\$ 1,634
D. Garrett Construction	General Construction and Management	7/10/2015	\$ 2,295
D. Garrett Construction	General Construction and Management	7/15/2015	\$ 18,225
D. Garrett Construction	General Construction and Management	7/29/2015	\$ 27,990
Midwest Reproduction	Reproduction Services	8/31/2015	\$ 16
Denise Ward Design	Interior Design Services	8/31/2015	\$ 3,300
D. Garrett Construction	General Construction and Management	10/5/2015	\$ 40,890
Midwest Reproduction	Reproduction Services	10/5/2015	\$ 84
Hole Montes	Engineering Services	10/22/2015	\$ 2,626
D. Garrett Construction	General Construction and Management	11/7/2015	\$ 30,870
Midwest Reproduction	Reproduction Services	11/7/2015	\$ 10
D. Garrett Construction	General Construction and Management	12/8/2015	\$ 34,200
D. Garrett Construction	General Construction and Management	12/15/2015	\$ 65,956
Midwest Reproduction	Reproduction Services	12/31/2015	\$ 22
2015 Actual Project Costs			\$ 238,746
Denise Ward Designs	Interior Design Services	2/26/2016	\$ 4,500
Denise Ward Designs	Artwork	3/14/2016	\$ 7,417
D. Garrett Construction	General Construction and Management	3/18/2016	\$ 17,934
2016 Actual Project Costs			\$ 29,851
Total Actual Project Costs			\$ 268,597

Hunters Ridge Community Association, Inc.
Pro-Shop renovation project - Actual costs (2016)
Exhibit C

<u>Vendor</u>	<u>Services Performed/Products</u>	<u>Check Date</u>	<u>Check Amount</u>
D. Garrett Construction	General Construction and Management	3/14/2016	\$ <u>28,269</u>
	2016 Actual Project Costs		\$ <u>28,269</u>
	Total Actual Project Costs		\$ <u>28,269</u>